

# Audit's<sup>®</sup> MARKET ANALYSIS OF REITS AND REAL ESTATE COMPANIES

# Realty Stock Review

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APRIL 28, 1989 (Priced Apr. 26)

Volume XX, Number 8

## Market Strategy: Smell of Lower Rates Bypasses Realty Stocks

### Realty Stocks Would be Big Beneficiaries of Lower Rates, Yet Stock Market Yawns

This is the part of the stock market cycle when patience should pay off for realty stock investors. The broad market has boomed to a post-October 1987 crash high, fueled by a widespread whiff of lower interest rates and enthusiasm that energy stocks are reviving on higher oil prices.

This is an environment tailored to produce double-digit gains in real estate rents and prices, because it signals an end to some of the many negatives which have been hurting real estate stocks.

Surprisingly, investors in real estate stocks have yawned. Realty stocks are up only 2.9% in the four months thru our pricing date this week, and the bellweather equity REITs (reviewed in the April 21 and this issue) are languishing.

The "why" continues to escape us, because we see values building in the group, especially among seasoned equity trusts, based on continuing cash flow gains (albeit in the modest 6% average range). If the equity REITs can do this good thru what looks like the bottom of a real estate recession, can't they do even better in a lower rate climate?

We think the answer is yes, and so have urged taking a strong but diversified position in the seasoned equity REITs reviewed in April 21 and this issue. Our Portfolio Selector on page 2 gives more specifics. We are persuaded that there is more

value in the group than is generally recognized, as reflected in our internal estimates of current value. These estimates are incorporated into our Appraised Asset Value table on page 3 and we will be updating these values in the future.

While the market tends to view the seasoned equity REITs as "stocks", we think you will benefit from looking at them as a liquid substitute for property as well. From the reviews of 13 seasoned equity REITs done this month, we prepared the following table to show two characteristics: (1) the enormous diversity of portfolio possible as reflected in the number and square footage of properties held by these equity REITs; and (2) the number of square feet of property represented by each share of stock. While the ratio of square feet per share is influenced by a REIT's leverage policies, this statistic lets investors compare the potential of rent increases for each stock.

	Shares	Tot. SF	SF/Share	% Occ.
Burnham Pacif.	5,644	1,466	0.352	93.9%
Federal Realty	13,815	9,105	0.662	94.4
First Union RE	17,678	8,468	0.479	82.1
HRE Props.	5,989	3,368	0.562	95.8
Intl. Income Prop.	15,539	2,278	0.146	97.2
IRT Prop.	9,663	6,152	0.633	95.6
New Plan Rlty.	26,847	5,463	0.203	96.0
Pennsylvania RE	8,199	5,379	0.656	94.4
Santa Anita	10,544	1,759	0.167a	97.6
Utd. Dominion	8,265	7,576	0.914	92.7
Washington REIT	13,778	3,215	0.233	96.0
Weingarten RL	13,968	10,417	0.746	92.0
Western Inv. RE	11,969	2,822	0.236	96.0
TOTALS	161,918	67,468	0.417	94.2%

a-Excludes Santa Anita Racetrack

Here's a breakdown of square footage by property type, showing heavy weighting in shopping centers and apartments:

	Retail	Appt.	Off.	Indust.
Burnham Pacif.	809	—	430	86
Federal Realty	8,866	240	—	—
First Union RE	6,189	504	1,775	—
HRE Props.	799	—	701	150
Intl. Income Prop.	2,278	—	—	—
IRT Prop.	4,115	567	—	356
New Plan Rlty.	4,700	712	51	—
Pennsylvania RE	2,732	2,075	—	572
Santa Anita	950	183	192	311
Utd. Dominion	1,720	5,666	24	166
Washington REIT	758	1,297	559	601
Weingarten RL	8,250	—	305	151
Western Inv. RE	1,882	—	305	151
TOTALS	44,107	11,407	4,158	4,276
% of Total	65.4%	16.9%	6.2%	6.3%

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Our companion service REALTY STOCK DIGEST contains complete EPS, dividend and news reports on 250 realty stocks. Subscribers may call toll free 1-800-441-8414 or write for a free sample copy.



# Portfolio Selector of Stocks For Investment Goals

We list below stocks we believe are currently usable in your portfolio. They are grouped into six major categories reflecting broad investment goals, so you can match property and regional characteristics to your specific needs. Purchases should be made at or below prices listed in

the "Limit" column at right. Stocks currently selling above our suggested limits are marked with an "\*" and should be bought only on declines. Most builder/developers, for instance, are above target prices, indicating caution.

Selector also lists REALTY STOCK REVIEW's exclusive Ranking of each stock; the major property type in its portfolio or business; and geographic area in which it operates. We continue to have a bias toward seasoned shopping center REITs in the Northeast and Southeast.

## Portfolio Selector List of Realty Stocks for Current Investment

Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	Current Advice/Limit	Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	Current Advice/Limit
<b>SEASONED EQUITY REITS: INCOME PROPERTY OWNERSHIP</b>					<b>FINANCIAL SERVICES/MORTGAGE BANKING</b>				
Stable Income & Asset Growth					Variable Yield, Rate Risk & Price Volatility				
Bradley RI.(7/8/8)	A	SC	MW	Buy to 14	Gould LP (1/9/7)	B	OFF/APT	NE	Hold/Buy to 45#
BRE Props.(7/8/8)	A	APT/SC	CA,WA	Buy to 31	Koger Prop.(3/10/9)	A	OFF	SE	Buy to 28
*Burnham Pac.(4/21/9)	B	SC/OFF	CA	Buy to 20	Perini Inv.(3/24/9)	B	OFF/IND	NAT	Buy to 17
Chicago Dock(3/10/9)	B	LAND	IL	Hold/Buy to 24#	Rouse Co.(3/10/9)	A	SC/LAND	NAT	Buy to 29
Cousins Prop.(3/10/9)	A	LAND/OFF	GA	Hold/Buy to 15.25	Shopco Lau.LP(1/13/9)	NR	SC	MD	Buy to 10
Dial REIT (9/23/8)	NR	SC	MW	Buy to 18	<b>AGGRESSIVE RECOVERY/TAKEOVERS/LIQUIDATIONS</b>				
DukeRly.(10/28/8)	B	OFF/IND	IN,OH	Buy to 5.50	Speculative yield, Uncertain Outcome, High Price Volatility				
*Federal RI.(4/21/9)	A	SC	NE	Buy to 23	BB RI.Est.(12/23/8)	NR	OFF/SC	CA,AZ	Hold (z)
*First Union (4/21/9)	A	SC/OFF	NAT	Buy to 20	CleveTrust(8/12/8)	C	OFF/SC	SW	Buy to 5#
*HRE Props.(4/21/9)	A	SC/OFF	NAT	Buy to 23#	ConCap Income (3/24/9)	NR	MTG	NAT	Buy to 6
*IRT Prop.(4/21/9)	A	SC	SE	Buy to 18	Fairfield Comm.(3/10/9)	C	LAND	SE/SW	Buy to 7
*Intl.Income (4/28/9)	A	SC	NAT	Hold/Buy to 14#	HMG/Courtland(10/28/8)	C	OFF/LAND	SE/SW	Buy to 13
Koger Eq. (3/10/9)	NR	OFF	SE	Buy to 19#	Hlth.CareREIT(12/9/8)	B	MED	MW	Buy to 13#
MGI Props.(7/8/8)	A	APT/OFF	SE/MW	Buy to 16	Hotel Inv.(12/23/8)	C	HOT	NAT	Buy to 10
*New Plan Rly(4/21/9)	A	SC	NE	Offer	MONEY Real Est.(5/13/8)	B	IND/SC	NAT	Buy to 8.50/Liq.
*Penn. REIT (4/28/9)	A	SC/APT	NE	Buy to 23	Nat. Rlt.LP(1/13/9)	NR	APT/SC	SW/MW	Buy to 10#
Prop.Tr.Am.(7/8/8&2/24/9)	A	SC/APT	TX,CO	Buy to 10	SW Rly.(12/9/8&1/27/9)	D	APT	TX	Buy pfds. (PSE)
REIT of Cal.(3/11/8)	A	SC/OFF	CA	Buy to 15#	U.S.Home(4/10/87)	C	HSG	NAT	Hold/buy to 2.50
*Santa Anita(4/28/9)	A	SC/RACE	CA	Hold/Buy to 31	Wells Far.MI(5/13&6/24/8)	C	IND/OFF	SW/W	Hold/buy to 17#
Sizeler Inv.(7/8/8&2/24/9)	B	SC	LA	Buy to 16#	<b>HOMEBUILDERS/INCOME PROP. DEVELOPERS/LAND DEVELOPERS</b>				
*Utd.Dom.(4/21/9)	A	APT	VA,NC	Buy to 19	Development/Money Market Risks, Price Volatility				
*Washington REIT(4/21/9)	A	OFF/APT	DC	Hold/Buy to 17.50#	Amrep Corp.(3/10/9)	C	LAND	NM	Buy to 10
*Weingarten RI.(4/21/9)	A	SC	TX	Buy to 27	Fine Homes (1/13/9)	C	HSG	NAT	Buy to 16
*Western Inv.RE(4/21/9)	A	SC	CA	Buy to 18 #	Genl. Dev.(3/10/9)	C	LAND/HSG	FL	Hold/Buy to 16#
<b>REITs: FIXED &amp; PARTICIPATING MORTGAGES/LEASEBACKS</b>					Hovnanian Ent.(6/10/8)	B	HSG	NJ,FL	Hold/Buy to 7#
Higher Income, Lower Growth, plus Interest Risk					Inter.Genl.LP(1/13&2/24/9)	B	LAND/APT	MD,PR	Buy to 8.50#
BRT Realty (2/10/9)	B	APT/COM	NE	Hold/Buy to 17	K&B Home(6/10/8)	B	HSG/CMCL	CA,FR	Hold/Buy to 14#
Copley Prop.(12/9/8)	B	IND	W	Buy to 18	Leisure Tech.(6/10/8)	C	RET/HSG	CA,NJ	Hold/Buy to 4.50#
Eastgroup Pr.(12/9/8)	B	OFF/SC	NAT	Buy to 23#	Lennar Corp.(6/10/8)	A	HSG	FL	Hold/Buy to 20#
Health CarePr.(12/9/8)	A	MED	NAT	Buy to 27	Major Rly.(11/18&25/8)	C	LAND/CMCL	FL	Hold
ICM Prop.(12/23/8)	B	OFF	NAT	Buy to 10	Newhall Land(1/13/9)	A	LAND	CA	Sell/Buy to 45#
MSA Rly.(7/8/8&2/24/9)	C	SC	MW	Buy to 8	Oriole Home(3/27/7)	C	HSG	FL	Hold/Buy to 10#
Meditrust(12/9/8)	B	MED	NAT	Buy to 16#	Ryland Gr.(11/18/8)	A	HSG/MTG	NAT	Hold/buy to 20#
Mellon PMT(2/10/9)	C	SC	NAT	Buy to 8	Std.Pacific LP(11/18/8)	A	HSG	CA	Buy to 13#
Mtg.&Rly.(2/10/9)	B	DIV	NAT	Buy to 20	<b>INVESTMENT BUILDERS/INCOME PROPERTY OWNERS/MLPS</b>				
Mtg.Inv.Plus(12/23/8)	B	OFF	CA	Buy to 8	Faster Growth, Development Risks Plus Higher Price Volatility				
Presidential RI.(11/25/8)	B	APT	NE	Hold/Buy to 12#	EOK Green Ac.LP(1/27/9)	B	SC	NY	Buy to 13
Rock.Ctr.Prop.(12/23/8)	B	OFF	NY	Buy to 21	Equit.RE Sh.LP(1/13/9)	NR	SC	MI,MN	Buy to 10
Univ.Hlth.RI.(12/9/8)	A	MED	NAT	Hold/Buy to 11#	Forest City(3/10/9)	B	SC/OFF	NAT	Buy to 42
<b>PROPERTY TYPES: APT=Apartment; CMCL=Commercial; DIV=Diversified; HOT=Hotel/Motoring; HSG=Housing; IND=Industrial; LAND=Land Devel.; MTG=Mortgage; OFF=Office; RACE=Race track; RET HSG=Retirement housing; SC=Shopping Center; S&amp;L=Savings &amp; loan.</b>					<b>PROPERTY LOCATIONS: NE=Northeast; SE=Southeast; SW=Southwest; MW=Midwest; W=West; NAT=National. States are Postal Service code.</b>				
<b>Buy limits are approx. maximum purchase prices at publication date. Additions or changes underlined; Review with comment dates in paren. * Reviewed in Apr.. Issues. # Stock selling above limit price.</b>					<b>z-Audit affiliate involved in pending transaction.</b>				

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Limit purchase prices increased for:

**Health Care REIT (HCN: ASE -- \$13.25)** has boosted its payout 5% to \$1.60 per share from \$1.52 indicating positive results at three of four troubled properties: Campe Verde, Az.; Fort Wayne, Ind.; and Santa Fe, N.M. Problems came to fore last summer and precipitated a Sept., 1988 dividend cut. Increased payout supports higher limit.

Limit purchase prices lowered for:

**BRT Realty (BRT: NYSE-- \$16.00)** as shares have weakened on fear of a dividend cut. Management says it is not currently planning such a move. A cut could conceivably result from reduced yields or increased defaults as short-term investments are re-cast in a high short-term rate environment.

**Copley Property Investors (COP: ASE -- \$16.38)** shares have been weak due to 1989 cash flow that it expects will be \$1.55 per share; COP elects to keep its \$1.68 per share dividend. Shares should be acquired for the long term only.

News & comment on Selector stocks:

**ICM Property Investors, Inc. (ICM: NYSE -- \$9.25)** has signed a five-year lease for approx. 32,000 sq. ft. with Southwestern Bell Yellow Pages, Inc. for space in its Texas Bank North Building in San Antonio, Tex. (50% joint venture). This is good news for ICM in the still soft San Antonio market, the increase brings total occupancy at this property to about 82%.

**General Development Corp. (GDV: NYSE -- \$14.88)** acquires Calif. timeshare operator, Glen Ivy, in a bid to expand this segment. The transaction adds 10 western resort communities with \$15.7 mil. pre-tax earnings. However, the timesharing business is attracting many new players that could put pressure on margins.

**MGI Properties (MGI: NYSE -- \$14.63)** seems to be preparing shareholders for a stiff cut in the current \$1.60 payout. MGI's latest quarterly discusses possibility it won't pay depreciation running about \$0.40/yr. The logical implication is that MGI could cut payout to about \$1.20/sh. New dividend rate will be announced in June. MGI shares will be undynamic for the near-term; long-term holders will want to ride through.

**Wells Fargo Mortgage & Equity Trust (WFM: NYSE -- \$18.25)** has signed a definitive merger agreement with KW

Partnership, an affiliate of The Koll Co. WFM will sell substantially all of its assets as outlined in its plan of liquidation. The sale price is approx. \$135 mil. or about \$20.11/share, subject to closing adjustments. The merger culminates discussions that began back in July, 1988.

**Washington REIT (WRE: ASE -- \$19.13)** has 1.5 mil. share offer in registration as of April 21. Underwriters for the offer will be Alex Brown and Merrill Lynch. WRE is taking advantage of the flowing tide in equity capital formation that has opened up for Blue Chip equity REITs in 1989.

Non-portfolio news:

In highly irregular modus-operandi, two Detroit government pension plans are making a bid for **Income Opportunity Realty Trust (IOT: ASE -- \$8.38)**, a beleaguered REIT that was fed to Ex-Southmark Corp. executives, Gene Philips and William Friedman in their negotiated departure back in Jan.

The pension funds are not content with sitting the sidelines any longer. IOT's stock has dropped over 60% in value from the \$20.00 per share the funds paid for 750,000 shares (20.3%) at IOT's initial offering back in 1985, to the \$7.50 a share offer price. The market wants more because its pricing 12% over the bid.

A battle for control is brewing at **Southmark Corp. (SM: NYSE -- \$0.88)**, as dissident SM shareholder Herb Parks, has sought to have SM's shareholder rights plan invalidated in a Federal court filing. The 4.7% shareholder group led by Mr. Parks also determines to wage a proxy fight against SM to replace its board.

In response to the Parks Group's suit, SM is counter-suing, alleging that Mr. Parks is in violation of Federal and state proxy laws. SM stated that the Parks Group made inadequate and misleading disclosures in his proxy solicitation for SM's May 19 annual meeting.

**Trammell Crow Real Estate Investors (TCR: NYSE -- \$6.50)** says continued pressure on market rents and expiration of a developer's master lease on Houston industrial property in June will adversely affect 1989 distributable cash. TCR had \$1.28/sh. distributable cash in 1988, down 8.6% and currently is paying \$1.26/sh. dividends. Much of payout is now supported by amortization of TCR's

zero coupon financing, which in effect lets shareholders spend today the future value of TCR's properties. We think TCR will try to hold payout above \$1.00/sh., so that it would be yielding 15% on the current \$6.50 price. Disappointing as the price plunge is, we'd hold for longer-term recovery.

Correction: New Plan Realty Trust,

in response to our April 21 review, has stated that only Roosevelt Mall, Newdon Plaza, and Rockland Consumer Plaza were valued at a 5% capitalization rate in establishing NPR's \$16.00/share current value. Other properties were valued at a more conservative 8%.

**APPRAISED ASSET VALUE COMPARISONS**

	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS			
BRE PROPERTIES #	7/88	\$35.50	-15.1%
BURNHAM PAC PROP#	12/88	\$18.50b	0.7%
CEDAR INC FUND I#	12/88	\$ 8.63	-36.3%
COPLEY PROPS #	12/88	\$23.37	-29.9%
DUKE RLTY INVST #	12/88	\$ 8.44	-39.3%
FEDERAL REALTY#	12/88	\$21.50b	7.6%
FIRST UNION RE#	12/88	\$26.25b	-27.1%
GRUB&ELLS REIT	12/88	\$ 9.36	-31.9%
HRE PROPERTIES #	10/88	\$27.50b	-9.5%
INTL INCOME PR#	12/88	\$19.17	-25.7%
IRT PROPERTY CO#	12/88	\$20.00b	-13.1%
MSA REALTY CORP #	12/87	\$11.41	-37.6%
NEW PLAN RLY TR#	7/88	\$16.27	-2.4%
PENN REIT#	8/88	\$26.00b	-16.3%
PRU RL CAPITAL #	12/88	\$ 2.43	-48.6%
SANTA ANITA	12/88	\$27.82	11.9%
SIERA CAP RLY IV#	12/87	\$ 7.88	-30.2%
SIERRA RE EQ83#	12/87	\$10.11	-33.2%
SIERRA RE EQ841t	12/87	\$ 8.40	-18.2%
TRAML CROW REI#	12/88	\$11.46	-44.4%
USP RL EST INV#	12/88	\$ 9.44	-24.5%
UTD DOMINV RLY#	12/88	\$20.50b	-12.2%
WASH RE (WRIT)#	12/88	\$17.00b	12.5%
WEINGARTEN RLY#	12/88	\$23.00b	16.8%
WESTERN INV RE#	12/88	\$19.00b	-3.3%
AVERAGE			-18.0%
OPERATING COMPANIES			
BAY FINCL CORP	5/88	\$26.02	-57.7%
CENTENNIAL GROUP	12/86	\$ 7.71	-62.7%
EQK GRN ACRES LP#	12/87	\$13.31	-11.7%
EQK RLTY INV I #	12/87	\$18.10	-24.7%
FORUM RET PFD UN#	12/88	\$11.08	-58.3%
MAJOR REALTY	9/87	\$22.00	-42.0%
MONY RL EST INV	5/88	\$10.34a	-20.2%
NEWHALL LAND	12/88	\$48.48	20.2%
PERINI INV PR#	12/88	\$26.41	-38.5%
ROUSE CO#	12/88	\$30.65	-11.5%
SOUTHWEST RLTY#	2/89	\$ 3.70	-78.0%
AVERAGE			-35.0%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages. b-Estimated by RSR; not confirmed by Trust.



## INTERNATIONAL INCOME PROPERTY INC. (IIP: ASE)

IIP owns five major regional malls. Because it is sponsored by a major Australian real estate operator, it previously operated with British-style financing relying heavily upon frequent and dilutive share offerings. IIP has just changed its bylaws to let it finance properties more in the American style without these repeated dilutive share offerings.

IIP owns these properties with these average rents and occupancies at the end of 1988:

Center	Total SF	IIP %	Net SF	Avg. Rent	Occ.
Oglethorpe, Savannah.	820 Th.	51.0%	418 Th.	\$12.44/SF	98%
Northgate, Chattanooga	805 "	45.0	362 "	7.75/SF	93%
Meadows, Las Vegas.	894 "	35.1	314 "	18.18/SF	98%
Park City, Lancaster.	1,416 "	74.9	1,059 "	8.48/SF	98%
#Landmark, Alexandria.	687 "	18.1	124 "	In Renovation	
Totals	4,622 Th.		2,278 Th.		

\* Open center, currently converting to mall; adding approx. 210 Th. SF.

IIP's space is divided 1.72 mil. SF in mall stores (75.5% of space) and 558,000 SF leased to anchors, with J.C. Penney accounting for 58% of this. The five centers contain a total 4.62 mil. SF, and anchors own 50.7% (2.3 mil. SF). Sears Roebuck and Penney are major anchors owning their own space. The arrangement gives IIP ownership of much high-rent mall space without having to be responsible for low-rent anchor space.

**Gut Issue: Will IIP's ambitious expansion of Landmark Center in Alexandria, Va. pay off?** IIP has committed \$140 mil. to nearly triple its space at Landmark Center, expanding from a 124,250 SF open mall to 335,000 SF three-level enclosed mall. First phase of 112,000 SF is expected to open late this year with remainder opening 1990. IIP has obtained bank construction financing over an allocated \$63.5 mil. equity in cash or project expenditure. It sold shares last year to raise \$50.5 mil. for Landmark. IIP's initial investment was \$23.5 mil. Phase I is 65% preleased.

**Assets and Operations:** Mall rents rose over 10% per SF at Park City and The Meadows in 1988, but rents at Oglethorpe Mall

were up only 1% and average mall rents fell 6.2% at Northgate Mall in Chattanooga, where a junior department store and catalog store closed; the aggregate 50,000 SF has been released to regional operators. In mall stores, IIP's ability to roll-over existing leases at higher rents is crucial to long-term success. IIP seems to be getting good rent bumps on re-leasing and about 43% of space is up for renewal over the next three years.

**Cash flow and dividend:** IIP's cash flow has, from inception not supported its dividend. Shortfalls are made up with proceeds of refinancings that take advantage of appreciation in properties. IIP estimates that 9% of unrealized value in its properties has been distributed as dividends. CFS of \$0.72 in 1988 fell short of \$1.04 payout; we look to Landmark space rentals in 1990 to help close this shortfall.

**Current Value:** IIP says its appraisers value shares at \$19.17/sh. at year-end 1988, up 5%. Appraisers appear to be capitalizing cash flow at 5%, altho the Landmark renovation clouds details of the valuation process.

**Advice: Buy long-term.** IIP owns high-powered mall space which should do well even in a slowdown. Recent bylaw changes remove need to finance with potentially dilutive rights offerings and give the manager a direct stake in IIP's success. Shares remain at A Rank. (KDC)

### IIP-ASE Rank A Dec. years 15.64 mil. shs.

Price:	\$14.50	Div.	\$1.08	Price/CF:	14.5	
Year	Op.EPS	Op.CFS	Div.	High	Low	Yld.Range
1985	\$0.19	\$0.70	\$0.94	\$11.25	\$9.25	8.4-10.2%
1986	d0.10	0.63	1.00	14.63	10.50	6.8- 9.5
1987	d0.23	0.76	1.04	16.25	11.00	6.4- 9.5
1988	0.14	0.86	1.05	14.88	11.88	7.0- 8.8z
1989E	0.20	1.00	1.08	16.00	12.50	6.5- 8.3E
5 Yr.Growth.	3.4%	+2.6%	z-To Date.			

Finances: Debt: \$135.4 mil. Equity(plus dep.): \$144.3mil. \$9.23/sh. Debt/Equity ratio: 0.93-1  
Address: 100 Park Ave., New York, N.Y. 10017. (212) 972-4080.

11842889 #40  

## PENNSYLVANIA REIT (PEI: ASE)

PEI is an old-line equity REIT now building its portfolio by joining in new developments via carefully structured joint ventures. Holdings and cash flow are divided about evenly between shopping centers and apartments. In recent years PEI has begun venturing beyond its Pennsylvania base.

**Gut Issue: Can PEI find good shopping center investments as it moves farther from home base?** Management regards today's real estate environment as extremely competitive. And while recent shopping center ventures have reached 90% occupancy, pushing occupancy over that figure has proved difficult, especially in a Jacksonville, Fla. project. The last 10% of occupancies often provides the fattest returns in a project.

**New properties: Retail:** PEI has entered joint ventures adding four centers with 942,000 sq. ft. (436,000 net SF to PEI or 15% of its total 2.9 mil. net SF of retail space). In 1988 PEI paid

\$5.1 mil. for 40% of 354,000 SF Laurel Mall, Hazelton, Pa.; the price works out to \$36.40/SF but PEI also gets 30 acres of expansion land at this 99% leased mall. Three other centers are all newly constructed and far afield from home base: Commons of Chicago Ridge (Ill.), 242,000 SF, near 90% leased; Mandarin Corners, Jacksonville, 216,000 SF, 92% leased; and South Blanding Village, also Jacksonville, projected 130,000 SF, about 79% leased mainly to anchors.

In its ventures, PEI commits to loan guaranties and initial funding but the venture must finance projects from third-party lenders. Thus joint ventures are generally more highly leveraged than PEI's wholly owned properties. The format forces each project to stand the test of open-market economics and financing.

**New apartments:** PEI is also expanding apartment holdings with a 50% joint venture to build a potential 414 DU for \$8.5 mil.



at Fox Run near Newark, Del. Phase I is rented and Phase II units are renting as rapidly as completed. PEI also committed to a venture to build 262 luxury apartments in Eagles Trace area of Coral Springs, Fla., with construction starting this year.

**EPS, Cash Flow and Dividends:** Operating EPS and Net CFS should rise about 2%-3% for the Aug. 1989 fiscal year. Operating CFS rose 3.8% to \$0.81/sh. in the first half, with apartment rent rises offsetting losses from start-up shopping centers. Dividend was recently boosted to \$1.64 annual rate. With overall interest rates up, PEI gets some boost as it invests \$29.7 mil. still left from its 1985 convertible offer.

**Assets:** PEI's thrust continues in shopping centers and apartments, with PEI holding interests in 45 properties with gross cost of \$154.5 mil. divided 32% (\$49 mil.) in 14 wholly owned properties; and 68% (\$105.6 mil.) in 31 joint ventures (generally 50%). Property mix is 60% of cost in 23 operating shopping centers (95.5% occ.); and 26% in 10 apartments with 2,819 net DU (91.5% occ.). The trophy property is PEI's 50% interest in

424,000 SF Lehigh Valley Mall in Allentown, Pa.

**Current Value:** We see PEI's underlying net asset value in the area of \$26-\$27/sh., but the complexity and options built into its joint ventures make realization thru a liquidation unrealistic.

**Advice:** PEI's joint venture approach builds lots of hidden values in a quiet way. Longer term growth is steady. Buy/hold shares. (KDC)

**PEI—ASE Rank A Aug. years 8.20 mil. sh.**  
Price: \$21.63 Div. \$1.64 Price/CF: 13.1

Year	EPS	CFS	Div.	High	Low	Yld. Range
1985	\$1.31a	\$1.56a	\$1.13	\$26.75	\$16.13	4.2-5.5%
1986	1.21a	1.42a	1.37	23.75	16.13	5.8-8.4
1987	1.21a	1.34a	1.49	26.50	17.00	5.6-8.8
1988	1.32a	1.51a	1.58	23.88	17.00	6.6-9.3
1989E	NE	1.65	1.64	23.00	20.75z	7.1-7.9z
a-Plus sale gains: '85-.13; '86-.20; '87-0.21; '88-0.03. z-To date.						

**Finances:** Debt: \$10 mil.; Equity: \$57.7 mil. (\$10.15/sh.); Deprec.: \$25.3 mil. (\$3.09/sh.).  
Debt/equity ratio: 0.2-1 at cost.  
Address: 455 Pennsylvania Ave., Ste. 135, Fort Washington, PA 19034. (215) 542-9250

## 3A4289#40 SANTA ANITA COMPANIES (SAR: NYSE) *Mike Dine*

SAR, concentrated in Southern CA, is actually a symbiotic relationship between two distinct Cos. that trade as paired shares of stock. Realty is the passive owner of properties and Operating Co. is the active manager of this real estate. In Mar. SAR raised \$58.5 mil. gross proceeds from a stock offer of 2 mil. shares.

**Gut Issue:** Will potential cash flow gains continue to boost stock that seems to be fully-valued at present? SAR's largest single asset is the Santa Anita racetrack, located to the east of Los Angeles, which produced about 51% of revenues in 1988. The live broadcasting of races (simulcasting) has become a major source of revenue growth for SAR. Remaining revenues come from assorted real estate, including 50% interest in a major regional mall on SAR land adjacent to the race track.

**Current value:** At \$31.13, SAR's shares appear fully-valued based on its recently published asset appraisal value of \$27.82 net of long-term debt. The shares have traded at premium probably reflect near-term cash flow boosts from rental upgrades and simulcasting, but keep in mind that SAR values only Realty's assets in its appraisal; when current value of Operating Co. are included total value may be closer to \$35-36/share.

**Racing:** Simulcasting has been the means of reinvigorating SAR's meal ticket. With on-track attendance running flat, significant growth can be achieved by delivering racing (wagering) to other locations. Legislation, approved by Calif. in 1987, now lets SAR telecast its meets to up to 13 country fairground off-site wagering locations (six are active now), as well as interstate locations in Las Vegas, Canada and Mexico. Total wagering rose in the first half, giving Realty a 31% boost in track-related rents.

**Property:** Of major appeal: SAR's 1.0 mil. (371,000 sq. ft. of mall shops) Santa Anita Fashion Park lease rollovers provide terrific leverage. One small lease recently jumped from \$6 to \$46/SF rent, but generally current market rates for space at the

mall range from \$20-40/sq. ft., depending on size and location. About 37% of leases are up for renewal in 1989 and 51% more in 1990-94. If all space up for 1989 renewal went up from the 1988 average rental of \$13.18/sq. ft. to bottom market range of \$20/sq. ft., SAR could get a cash flow boost of about \$0.02 to \$0.03/share but upgrades could bring in as much as \$0.25/share.

In 1987 SAR entered a regional mall project in Towson, Md. SAR has a 33% position in the 632,000 sq. ft. Towson Town Centre, a major shopping center under expansion to 1.2 mil. sq. ft., with Nordstroms coming in as anchor in late 1991. SAR's initial investment was \$1.5 mil. with \$6 mil. to be contributed at the malls opening. This looks like a winner for SAR.

SAR holds interests in other smaller properties: six community shopping centers with 302,750 net rentable sq. ft. (a seventh with 74,000 sq. ft. is under construction); four office buildings with 241,600 net sq. ft., including a 40% interest in a 120,000 SF office being built in downtown Pasadena, Cal.; an industrial park with net 311,000 SF; and a Calif. apartment with 406 units.

**Advice:** Hold/buy longer-term. SAR has great fundamental prospects for growth, however the market recognizes and has factored this in at current trading range. (MJH)

**SAR-NYSE RANK A Dec. years 10.9 mil. shares**  
Price: \$31.38 Div. \$2.08 Yld. 6.6% Price/CFS: 13.1

Yr.	Op. EPS	Op. CFS	Div.	High	Low	Yld. Range
1985	\$2.07a	\$2.46a	\$1.94	\$25.25	\$20.75	9.3-7.6%
1986	1.58a	1.87a	2.015	32.75	23.38	8.6-6.2
1987	0.58a	1.97b	2.04	33.25	23.50	8.7-6.1
1988	1.56	2.31	2.05	34.50	26.75	7.7-5.9
1989E	1.60a	2.40	2.10	33.25	28.50	8.4-7.2z
1990E	NE	2.55	2.20			

a-Plus disc. oper: '85-(\$0.01); '86-(\$0.11) with disposition gain of \$0.73; '87-After \$2.09/sh. pretax writeoff; '89 sale gain of \$0.20-0.25/sh. b-Excluding Minn. track writeoff. z-To date.

**Finances:** Debt: \$65 mil. Equity: \$115 mil. or \$10.55. Accum. deprec. \$19.3 mil. or \$1.77/sh. Debt/equity ratio: 0.56-1.  
Address: 285 West Huntington Dr., Arcadia, Calif. 91006. (818) 574-7223.



RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM MAR 21 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKZ	MKT VAL MIL \$	
B	AMER HEALTH PROP# (12/09/88)	NY-AHE	2	11108	18.67	2.20 U	MAR 2.22 U	19.88	6.7	11.2	9.0	11.1	6.5	11.9	220.8
*	AMER SW MTG INVT# (01/27/89)	AS-ASR	4	14326	9.83	0.36 D	SEP 0.81	3.76X	-7.8	-54.5	4.6	9.6	-61.8	8.2	53.8
C	AMERICAN REALTY (02/10/89)	NY-ARB	4	21728	6.58	0.72 S	SEP 1.86	4.25X	1.3	-5.6	2.3	16.9	-35.4	28.3	92.3
*	F-ANGELES FINC TRST	AS-ANF	4	1051	18.00	2.40 S	SEP 1.80	15.25X	0.2	4.3	8.5	15.7	-15.3	10.0	16.0
B	ANGELL REAL EST# (12/09/88)	NY-ACR	2	3622	13.47	1.52 DEC	1.73 U	10.76X	0.1	32.4	6.2	14.1	-20.2	12.8	39.0
C	ASSET INVESTORS (09/09/88)	NY-AIC	4	13892	14.95	1.68 DEC	2.69 D	7.25	11.5	-35.6	2.7	23.2	-51.5	18.0	100.7
*	B-B RL EST INV # (12/23/88)	AS-BBR	1	6412	6.54	0.26 SEP	0.26	3.13	-10.7	-10.7	12.0	8.3	-52.2	4.0	20.0
C	BEVERLY INV PROP# (12/09/88)	NY-BIP	2	8195	19.97	1.60 DEC	2.34	12.88	1.0	9.6	5.5	12.4	-35.5	11.7	105.5
*	BODDIE-NOEL PROP# (05/22/87)	AS-BNP	2	2850	11.42	1.36 S	MAR 1.35 S	13.00X	2.6	-1.9	9.6	10.5	13.8	11.8	37.1
A	BRADLEY RL EST (07/08/88)	OC-BRLYS	1	3360	2.37	0.68 NOV	0.21	14.00	3.7	3.7	66.7	4.9	490.7	8.9	47.0
A	BRE PROPERTIES # (07/08/88)	NY-BRE	1	7876	19.56\$	2.40 JAN	2.37	30.13	2.1	-2.0	12.7	8.0	54.0	12.1	237.3
B	BRT REALTY (02/10/89)	NY-BRT	4	7301	1.47	2.48 DEC	2.50	16.00	-14.1	-14.7	6.4	15.5	988.4	170.1	116.8
B	BURNHAM PAC PROP# (04/21/89)	AS-BPP	1	5741	14.57\$	1.36 MAR	1.35 U	18.63	0.7	-0.7	13.8	7.3	27.8	9.3	106.9
B	F-CALIF JOCKEY CLUB (08/12/88)	AS-CJ	1	5773	4.54	1.00 DEC	0.77 D	18.00	10.8	14.3	23.4	5.6	296.5	17.0	103.9
Z	CALIFORNIA REI (03/11/88)	NY-CT	1	4965	6.93	0.40 DEC	-0.13 U	4.00	-3.0	-30.4	0.0	10.0	-42.3	-1.9	19.9
*	F-CEDAR INC FUND I# (01/09/87)	OC-CEDR	1	1440	8.63\$	0.64 DEC	0.47	5.50	-8.3	-18.5	11.7	11.6	-36.3	5.4	7.9
B	CENVILL INVSTR (02/10/89)	NY-CVI	3	6883	12.75	2.00 DEC	1.83 D	12.38	-19.5	-20.8	6.8	16.2	-2.9	14.4	85.2
B	CHICAGO DOCK&CANL (03/10/89)	OC-DOCKS	1	5784	6.34	0.24 S	JAN -0.16	26.75X	2.0	8.1	0.0	0.9	321.9	-2.5	154.7
C	CLEVETRUST RLTY # (08/12/88)	OC-CTRS	1	1971	18.01	0.00 DEC	0.28 U	5.38	2.4	16.2	19.2	0.0	-70.2	1.6	10.6
*	COLUMBIA RE INVST (09/09/88)	AS-CIV	4	5856	9.20	0.88 SEP	0.91	7.25	9.4	9.4	8.0	12.1	-21.2	9.9	42.5
B	COPELY PROPS # (12/09/88)	AS-COP	3	4008	17.07\$	1.68 S	DEC 1.73	16.38X	-4.7	-5.8	9.5	10.3	-4.1	10.1	65.6
C	COUNTRYWIDE MTG (09/09/88)	NY-CWM	4	13645	8.17	0.80 D	MAR 0.90 D	5.00	-2.4	-7.0	5.6	16.0	-38.8	11.0	68.2
A	COUSINS PROPS (03/10/89)	OC-COUS	1	17303	6.51	0.60 DEC	0.56	18.13	22.9	17.9	32.4	3.3	178.4	8.6	313.6
*	F-CRI INS MTG II (04/21/89)	NY-CII	4	8536	15.30	1.29 SEP	1.74	11.88	-1.0	-14.4	6.8	10.9	-22.4	11.4	101.4
*	DEL-VAL FINCL (04/21/89)	NY-DVL	4	3910	10.72	1.80 S	DEC 1.80 U	16.63X	1.7	0.0	9.2	10.8	55.1	16.8	65.0
*	DIAL REIT INC # (01/09/87)	OC-DEAL	1	3822	17.51	1.64 S	DEC 1.71	17.00X	5.5	-4.2	9.9	9.6	-2.9	9.8	65.0
B	DUKE RLTY INVST # (10/28/88)	NY-DRE	1	8594	7.23\$	0.68 DEC	0.63 U	5.13	0.0	-8.9	8.1	13.3	-29.1	8.7	44.0
B	EASTGROUP PROPS (12/09/88)	AS-EGP	1	2538	19.75	2.60 DEC	3.48 D	22.63X	-4.0	5.2	6.5	11.5	14.6	17.6	57.4
B	EASTOVER CORP (09/23/88)	OC-EASTS	3	1158	14.37	1.60 DEC	1.72 D	13.25X	-10.5	-11.7	7.7	12.1	-7.8	12.0	15.3
*	EMERALD MTG INVST (09/23/88)	NY-EIC	4	8750	9.21	0.00 D	DEC 1.43	3.00	-45.5	-61.9	2.1	0.0	-67.4	15.5	26.3
A	FEDERAL REALTY# (04/21/89)	NY-FRT	1	13751	10.01\$	1.40 U	DEC 1.57	23.13	1.6	9.5	14.7	6.1	131.0	15.7	318.0
*	FIRST CONTNL REIT (04/21/89)	OC-FCRES	4	4103	3.06	0.00 NOV	-1.55	0.88	0.0	40.0	0.0	0.0	-71.4	-50.7	3.6
A	FIRST UNION RE# (04/21/89)	NY-FUR	1	17678	8.84\$	1.50 MAR	1.47 D	19.13X	-1.3	4.8	13.0	7.8	116.3	16.6	338.1
*	GOLDEN CORRAL # (04/21/89)	OC-GCRA	2	1480	9.34	1.00 S	DEC 1.11 D	8.50X	0.0	3.0	7.7	11.8	-9.0	11.9	12.6
B	F-GRUB&ELLS REIT (10/09/87)	OC-GRIT	5	2500	9.04\$	0.64 S	MAR 0.55 D	6.38	6.3	0.0	11.6	10.0	-29.5	6.1	15.9
A	HEALTH CARE PR# (12/09/88)	NY-HCP	2	8167	22.01	2.81 MAR	2.96 U	25.50X	3.3	-1.4	8.6	11.0	15.9	13.4	208.3
B	HEALTH CARE REIT (12/09/88)	AS-HCN	4	5915	12.00	1.60 U	MAR 1.70 S	13.25X	3.0	11.6	7.8	12.1	10.4	14.2	78.4
B	HEALTHVEST # (12/09/88)	AS-HVT	2	11661	20.14	2.68 U	DEC 2.66	15.63X	0.3	-10.7	5.9	17.2	-22.4	13.2	182.2
C	HLTH & REHAB PRP# (12/09/88)	NY-HRP	2	9998	8.78	1.12 S	DEC 1.13	8.25X	1.9	-2.9	7.3	13.6	-6.0	12.9	82.5
C	HMG/COURTLND PROP (10/28/88)	AS-HMG	1	1212	22.60	0.60 SEP	8.07	10.88	-2.2	-13.0	1.3	5.5	-51.9	35.7	13.2
C	P-HOLLYWOOD PK RLTY (02/24/89)	OC-HTRFZ	1	3956	5.21	0.00 SEP	-0.94	24.75	3.1	17.9	0.0	0.0	375.0	-18.0	97.9
C	P-HOTEL INVESTORS# (12/23/88)	NY-HOT	1	12129	15.86	1.00 S	DEC 0.82 U	8.38X	0.0	-9.5	10.2	11.9	-47.2	5.2	101.6
A	HRE PROPERTIES # (04/21/89)	NY-HRE	1	5989	24.89\$	1.80 JAN	1.79	24.88X	0.3	15.7	13.9	7.2	-0.1	7.2	149.0
E	ICM PROP INVSTR # (12/23/88)	NY-ICM	3	5476	14.06	1.36 S	DEC 1.18	9.25	-2.6	-2.6	7.8	14.7	-34.2	8.4	50.7
*	F-INCOME OPP RLTY # (12/24/87)	AS-IOT	3	3692	16.52	0.60 SEP	0.40	8.38	86.1	6.3	20.9	7.2	-49.3	2.4	30.9
A	INTL INCOME PR# (04/28/89)	AS-IIP	1	15642	9.23\$	1.08 DEC	0.86	14.25	4.6	8.0	16.6	7.6	54.4	9.3	222.9
*	INVG MTG SECS (04/21/89)	OC-INVG	4	682	30.69	1.50 DEC	-1.40	10.50X	33.3	23.5	0.0	14.3	-65.8	-4.6	7.2
A	IRT PROPERTY CO# (04/21/89)	NY-IRT	1	9712	11.24\$	1.40 DEC	2.08	17.38	5.3	-6.1	8.4	8.1	54.6	18.5	168.7
*	F-JOHNSTWN/CONS RL# (09/09/88)	NY-JCT	3	12280	14.89	0.70 SEP	0.38	7.38	15.7	40.5	19.4	9.5	-50.5	2.6	90.6
*	KOGER EQUITY INC# (03/10/89)	AS-KE	1	10000	18.80	1.80 DEC	1.83	19.88X	4.9	6.0	10.9	9.1	5.7	9.7	198.8
C	L&N HOUSING- (05/13/88)	NY-LNC	5	2200	19.46	1.56 MAR	-1.11 D	12.88	-13.4	-12.0	0.0	12.1	-33.8	-5.7	28.3
*	LANDSING PACIFIC# (05/13/88)	AS-LPF	1	6157	19.12	0.80 DEC	0.62	7.38	-1.7	-16.9	11.9	10.8	-61.4	3.2	45.4
*	LINCOLN NC RL FND (05/13/88)	AS-LRF	3	1998	13.32	1.40 DEC	1.51	9.63X	1.0	6.9	6.4	14.5	-27.7	11.3	19.2
*	F-LINPRO SPED PROP (10/09/87)	AS-LPO	1	1856	9.05	0.00 DEC	0.08	2.25	-14.3	-14.3	28.1	0.0	-75.1	0.9	4.2
B	LOHAS & NET MTG (02/10/89)	NY-LOM	4	11704	22.89	2.40 D	MAR 2.40 D	16.00X	-9.4	-11.1	6.7	15.0	-30.1	10.5	187.3
C	LOHAS MTG CORP (09/09/88)	NY-LMC	4	8700	20.28	2.00 MAR	2.29 D	14.38	-10.9	-12.9	6.3	13.9	-29.1	11.3	125.1
*	MEDICAL PROPS # (05/22/87)	AS-MPP	2	2369	11.68	1.20 SEP	1.31	8.75	-1.4	14.8	6.7	13.7	-25.1	11.2	20.7
B	MEDITRUST # (12/09/88)	NY-MT	2	15721	15.89	2.06 MAR	2.01 D	16.00X	0.9	-5.9	8.0	12.9	0.7	12.6	251.5
C	F-MELLON PART MTG (02/10/89)	OC-MPMTS	5	8645	9.16	0.92 U	SEP 0.81	7.25X	5.0	-3.3	9.0	12.7	-20.9	8.8	62.7
B	MERRY LAND & INV (09/09/88)	OC-MERY	3	9779	6.72	0.80 MAR	0.91 U	5.25	5.0	-30.0	5.8	15.2	-21.9	13.5	51.3
A	MGI PROPERTIES # (07/08/88)	NY-MGI	1	9425	17.71	1.60 NOV	1.73	14.50X	-10.4	-17.7	8.4	11.0	-18.1	9.8	136.7
B	MONMOUTH REIT # (01/27/89)	OC-MNRTS	3	1573	4.41	0.70 SEP	0.52	5.50	-8.3	-8.3	10.6	12.7	24.7	11.8	8.7
C	MSA REALTY CORP # (02/24/89)	AS-SSS	3	8614	7.83\$	0.60 DEC	0.62	7.13	3.6	-9.5	11.5	8.4	-9.0	7.9	61.4
B	MTG & RLTY TRUST (02/24/89)	NY-MRT	3	10747	17.08	2.00 S	MAR 1.92 D	17.25	-2.1	1.5	9.0	11.6	1.0	11.2	185.4
A	MTG INVSTMT PLUS# (12/23/88)	AS-MIP	3	9020	8.51	0.80 MAR	0.77 D	7.63	0.0	5.2	9.9	10.5	-10.4	9.0	68.8
A	NEW PLAN RLY TR# (04/21/89)	NY-NPR	1	27190	6.73\$	1.00 U	OCT 0.92	15.88	0.8	0.0	17.3	6.3	135.9	13.7	431.6
*	F-NOONEY RLTY TR# (07/08/88)	OC-NRTI	1	867	16.64	0.32 DEC	0.14	8.00	0.0	-8.6	57.1	4.0	-51.9	0.8	6.9
B	ONE LIBERTY PR# (08/12/88)	AS-OLP	2	2203	14.10	1.60 SEP	1.30	13.38	1.9	-6.1	10.3	12.0	-5.1	9.2	29.5
A	PENN REIT# (04/28/89)	AS-PE													



RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FRM- MAR 21 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$		
* RPS REALTY TRUST		NY-RPS	5	28576	6.70	0.76 D	0.68	5.75X	3.3	-11.5	8.5	13.2	-14.2	10.1	164.3	
* RYMAC MTG INVSTMT	(09/23/88)	AS-RM	4	5270	9.17	1.60	---	0.00	8.00X	0.3	-5.9	0.0	20.0	-12.8	0.0	42.2
A P-SANTA ANITA	(04/28/89)	NY-SAR	1	10896	10.55\$	2.08	DEC	1.56	31.13	5.5	-4.2	20.0	6.7	195.0	14.8	339.1
* F-SIERA CAP RLY IV#		AS-SZD	1	7506	7.91\$	0.30	SEP	0.40	5.50X	6.2	-2.2	13.8	5.5	-30.5	5.1	41.3
* F-SIERA CAP RLY VI#	(06/26/87)	AS-SZF	1	3548	8.13	0.23	SEP	0.17	5.63X	22.4	-23.7	33.1	4.1	-30.8	2.1	20.0
* F-SIERA RE EQ83#		OC-SEBTS	1	3047	7.67\$	0.25	SEP	0.36	6.75	0.0	8.0	18.8	3.7	-12.0	4.7	20.6
* F-SIERA RE EQ84#		OC-SETC	1	4887	7.57\$	0.10	SEP	1.07	6.88	17.0	25.0	6.4	1.5	-9.2	14.1	33.6
B SIZELER PROP INV#	(02/24/89)	NY-SIZ	1	3716	18.92	1.56	DEC	1.49 D	16.13	-1.5	9.3	10.8	9.7	-14.8	7.9	59.9
C STORAGE EQUITIES	(10/14/88)	NY-SEQ	1	10943	14.79	1.40	DEC	1.06	12.75	0.0	13.3	12.0	11.0	-13.8	7.2	139.5
B STRATEGIC MTG	(05/13/88)	NY-STM	4	5465	18.46	1.28	MAR	1.70 D	12.13	0.0	-2.0	7.1	10.6	-34.3	9.2	66.3
* TIS MTG INVSTMT		NY-TIS	4	8100	9.13	1.20	DEC	0.97	7.00X	2.5	-12.5	7.2	17.1	-23.3	10.6	56.7
C F-TRAML CROW REIT#	(07/08/88)	NY-TCR	1	9075	10.93\$	1.26 S	DEC	1.28 D	6.38	-8.9	-12.1	5.0	19.8	-41.7	11.7	57.9
A UNIV HEALTH RLT#	(12/09/88)	NY-UHT	2	7047	13.93	1.44	DEC	1.55	12.75	5.2	7.4	8.2	11.3	-8.5	11.1	89.8
B USP RL EST INV#	(06/12/87)	AS-URT	1	3880	8.17\$	1.00 S	DEC	1.71 D	7.13	-1.7	-9.5	4.2	14.0	-12.8	20.9	27.6
A UTD DOMINR RLT#	(04/21/89)	OC-UDRT	1	8285	12.63\$	1.20 U	DEC	1.21	18.00X	6.1	-0.7	14.9	6.7	42.5	9.6	149.1
* F-VMS HOTEL INVSTMT		AS-VHT	5	9863	8.74	0.90 S	DEC	0.74 D	6.13X	-0.4	-5.8	8.3	14.7	-29.9	8.5	60.4
* VMS S/T INCOME		AS-VST	4	6918	9.14	1.16 D	DEC	1.14 D	7.50X	0.5	-3.2	6.6	15.5	-17.9	12.5	51.9
* VMS STRATGIC LAND	(05/22/87)	OC-VLANS	5	11994	8.62	1.20 S	DEC	1.10 D	8.25X	6.9	11.9	7.5	14.5	-4.3	12.8	99.0
A WASH RE (WRIT)#	(04/21/89)	AS-WRE	1	13778	5.90\$	1.00	DEC	1.08	19.13	0.0	-8.9	17.7	5.2	224.2	18.3	263.5
* WEDGESTONE FINCL	(02/10/88)	NY-WDG	4	5795	6.17	0.00	DEC	-1.92 D	2.25	-21.7	-18.2	0.0	0.0	-63.5	-31.1	13.0
A WEINGARTEN RLT#	(04/21/88)	NY-WRI	1	13984	13.70\$	1.76	DEC	2.53 U	26.88	5.4	4.9	10.6	6.5	96.2	18.5	375.8
C WELLS FARGO M&E	(05/13/88)	NY-WFM	3	6724	15.81	1.50 S	MAR	-1.52 U	18.25	4.3	6.6	0.0	8.2	15.4	-9.6	122.7
A WESTERN INV RE#	(04/21/89)	AS-WIR	1	11969	13.26\$	1.32	DEC	1.39 U	18.38	-1.3	3.5	13.2	7.2	38.6	10.5	219.9
COMPANIES AND BUSINESS TRUSTS																
* ABRAMS INDS INC		OC-ABRI	10	2234	7.50	0.24	JAN	0.57	6.00	4.3	9.1	10.5	4.0	-20.0	7.6	13.4
* LP-AMER INS MTG 84		OC-AIMAZ	9	10000	19.36	1.50	SEP	2.42	16.50	-2.9	7.3	6.8	9.1	-14.8	12.5	165.0
E LP-AMER RE PARTNERS	(01/13/89)	NY-ACP	8	14736	17.10	2.00	DEC	1.81 D	14.25X	-4.1	-5.8	7.9	14.0	-16.7	10.6	210.0
* AMERICANA HOTEL	(04/08/88)	NY-AHR	L	4920	16.54	0.00	DEC	1.28	13.76	1.0	4.8	10.7	0.0	-16.8	7.7	67.7
C AMREP CORP	(03/10/89)	NY-AXR	7	6609	10.16	0.00	JAN	0.19	7.88	-4.5	1.6	41.4	0.0	-22.5	1.9	52.0
* ANGELES CORP		AS-ANG	11	3375	5.17	0.00	DEC	-1.20	5.88	4.4	2.2	0.0	0.0	13.6	-23.2	19.8
C BAT FINCL CORP	(06/10/88)	NY-BAY	8	3881	5.78\$	0.00	DEC	-8.71	11.00	-7.4	-5.4	0.0	0.0	90.3	-150.7	42.7
C LP-BURGER KING INV #	(01/13/89)	NY-BKP	8	4635	17.77	1.80	DEC	1.81	14.13	2.7	6.6	7.8	12.7	-20.5	10.2	65.5
C LP-CAL FED INC PTNR#	(01/13/89)	NY-CFI	8	12866	7.95	1.00 S	SEP	0.40	7.13X	1.7	7.5	17.8	14.0	-10.4	5.0	91.7
C CALPROP CORP		AS-CPF	7	4184	8.60	0.00	DEC	1.22	7.88	-3.1	3.3	6.5	0.0	-8.4	14.2	32.9
C CALTON INC	(06/10/88)	NY-CN	7	23626	2.74	0.00	FEB	0.45 D	2.50	-4.8	-16.7	5.6	0.0	-8.8	16.4	59.1
* CENTENNIAL GROUP	(07/24/87)	AS-CEQ	10	26200	5.58\$	0.00	DEC	0.12 D	2.88	15.0	-14.8	24.0	0.0	-48.5	2.2	75.3
A CENTEX CORP	(06/10/88)	NY-CTX	6	14671	25.23	0.40	DEC	2.33	32.50	17.6	11.1	13.9	1.2	28.8	9.2	476.8
C CHAMPION ENTPRS		AS-CHB	12	7215	6.30	0.00	NOV	0.93	3.75	-9.1	0.0	4.0	0.0	-40.5	14.8	27.1
C CHRISTIANA COS		NY-CST	7	5192	5.18	0.00	DEC	-0.32	9.75	32.2	56.0	0.0	0.0	88.2	-6.2	50.6
B CLATON HOS		NY-CMH	12	16151	4.82	0.00	MAR	0.94 U	8.63	11.3	1.5	9.2	0.0	78.9	19.5	139.3
* LP-COMWLTH MTG AM-A		NY-CMA	9	35000	0.26	0.00	DEC	-1.42	0.88	-50.0	-56.3	0.0	0.0	236.5	-546.2	30.6
* COMMONWLTH MTG CO		OC-CCMC	9	5865	4.23	0.00	JAN	0.49	6.50	8.3	126.1	13.3	0.0	53.7	11.6	38.1
* CONGRESS ST PROPS		OC-CSTP	10	1112	12.80	0.00	FEB	-0.56 D	6.50	0.0	2.0	0.0	0.0	-49.2	-4.4	7.2
* F-CONSOL CAP INCOME	(03/24/89)	OC-CCITS	L	11362	11.15	0.00	SEP	-1.61	4.38	-23.9	-2.8	0.0	0.0	-60.8	-14.4	49.7
* CONSOL CAP RLT#		OC-CCPLS	L	5966	4.25	0.00	AUG	-0.08	0.50	-20.0	-55.6	0.0	0.0	-88.2	-1.9	3.0
* F-CONSOL CAP SPECI	(03/24/89)	OC-CCSTS	L	11486	9.07	0.00	SEP	-1.03	3.38	-30.8	-20.6	0.0	0.0	-62.8	-11.4	38.8
C CONTL HNS HOLDING	(05/22/87)	OC-COHN	7	3515	7.17	0.00	FEB	0.59 D	4.25	-10.5	13.3	7.2	0.0	-40.7	8.2	14.9
B COUNTRYWIDE CRDIT	(02/24/89)	NY-CCR	9	16732	6.46	0.24 D	FEB	0.78 D	6.63X	-7.8	3.9	8.5	3.6	2.6	12.1	110.8
D COVINGTON DEVLPMT		OC-COVT	7	13902	0.27	0.00	DEC	0.19	0.91	20.8	81.2	4.8	0.0	235.6	70.4	12.6
* LP-CRI INS MTG INV		NY-CRM	9	9100	11.87	1.20	DEC	3.47 U	10.75X	3.1	-16.5	3.1	11.2	-9.4	29.2	97.8
D DELTONA CORP		NY-DLT	7	5574	4.73	0.00	DEC	0.13	4.88	-4.9	-2.5	37.5	0.0	3.1	2.7	27.2
* LP-EMERALD HOMES LP	(05/22/87)	NY-EHP	7	5225	6.39	0.80	MAR	1.63 D	5.63X	-8.6	-33.8	3.5	14.2	-12.0	25.5	29.4
B LP-EQK GRN ACRES LP#	(01/27/89)	NY-EQA	8	10173	8.32\$	1.24	SEP	1.21	11.75X	-1.6	-6.9	9.7	10.6	41.2	14.5	119.5
* F-EQK RLT# INV I #	(02/24/89)	NY-EKR	L	7589	14.22\$	0.00	SEP	1.63	13.63	1.9	26.7	8.4	0.0	-4.2	11.5	103.4
* LP-EQUITABLE RE SC #	(01/13/89)	NY-EQM	8	10700	8.37	1.04	SEP	1.03	8.50X	-1.3	-4.2	8.3	12.2	1.6	12.3	91.0
D EQUITEC FNCL GP	(09/11/87)	NY-EFG	11	4952	2.27	0.00	DEC	-3.41 U	2.50	-13.0	-4.8	0.0	0.0	10.1	-150.2	12.4
C FAIRFIELD COMM	(03/10/89)	NY-FCI	7	10851	9.57	0.00	DEC	0.28	6.75	1.9	10.2	24.1	0.0	-29.5	2.9	73.2
* FARRAGUT MTG CO		OC-FARR	9	5150	0.41	0.00	DEC	-0.61 D	0.63	0.0	11.0	0.0	0.0	52.4	-148.8	3.2
A FED NATL MTG	(02/10/89)	NY-FNM	9	78623	24.89	1.28 U	MAR	7.15 U	67.75X	5.3	33.5	9.5	1.9	172.2	28.7	5326.7
C LP-FINE HNS INTRNTNL	(01/13/89)	NY-FHI	11	7785	5.94	2.25	MAR	1.26 U	14.25X	-4.4	-0.9	11.3	15.8	139.9	21.2	110.9
* FIRST CAROLINA		OC-FCAR	10	709	31.98	0.50	DEC	2.10	30.00	1.7	1.7	14.3	1.7	-6.2	6.6	21.3
A FLEETWOOD ENTER		NY-FLE	12	22908	16.88	0.64	JAN	2.94	25.88X	-10.6	3.0	8.8	2.5	53.3	17.4	592.7
B FOREST CITY-A#	(03/10/89)	AS-FCE.A	8	4059	28.25	0.38	JAN	3.19 U	42.88	1.5	6.9	13.4	0.9	51.8	11.3	174.0
B FOREST CITY-B#	(03/10/89)	AS-FCE.B	8	3890	28.25	0.32	JAN	3.19 U	43.00	0.9	3.9	13.5	0.7	52.2	11.3	167.3
C LP-FORUM RET FED UNW	(12/09/88)	AS-FRL	8	6235	9.39\$	1.35	SEP	0.31	4.63X	-11.8	-24.5	14.9	29.2	-50.7	3.3	28.8
* FFA CORP		AS-FPO	7	4011	8.95	0.00	DEC	-2.88	4.75	2.7	22.6	0.0	0.0	-46.9	-32.2	19.1
C GENERAL DEVLPMT	(03/10/89)	NY-GDV	6	8454	18.43	0.00	DEC	2.33	14.88	0.0	17.8	6.4	0.0	-19.3	12.6	125.8
D GENERAL HOMES	(04/10/87)	NY-GHO	6	15009	-0.44	0.00	DEC	-9.56	1.25	150.0	150.0	0.0	0.0	0.0	0.0	18.8
A LP-GOULD INVSTRS LP#	(01/09/87)	AS-GLP	8	1087	20.71	0.00	SEP	2.26	60.00	6.7	22.4	26.5	0.0	189.7	10.9	65.2
* GRUBB & ELLIS	(06/10/88)	NY-GBE	11	15947	5.15	0.00	DEC	-0.12	3.75	-6.3	-6.3	0.0	0.0	-27.2	-2.3	59.8
* HAMMOND CO		OC-THCO	9	2041	5.42	0.10	DEC	0.03	3.50	0.0	16.7	116.7	2.9	-35.4	0.6	7.1
B HOVNANIAN ENTR	(06/10/88)	AS-HOV	7	20840	5.14	0.00	FEB	1.38 U	9.50	15.2	43.4	6.9	0.0	84.8	26.8	198.0
* INDIANA FNCL INV		OC-IFII	8	966	12.11	0.00	DEC	0.33	7.25	11.5	23.4	22.0	0.0	-40.1	2.7	7.0
C INTEGRATED RESC	(02/10/89)	NY-IRE	11	7540	20.16	0.00	DEC	2.42	14.25	1.8	2.7	5.9	0.0	-29.3	12.0	107.4
B LP-INTERSTATE GEN CO	(02/24/89)	AS-IGC	8	9900	3.40	0.72	DEC	1.23	7.88	-4.5	21.2	6.4	9.1	131.6	36.2	78.0
* INTL AMER HOMES		OC-HOME	7	7947	6.94	0.00	DEC	0.51	1.25	-16.7	-16.7	2.5	0.0	-68.3	12.9	9.9
* J M PETERS CO INC	(11/06/87)	AS-JMP	7	13783	3.31	0.00	FEB	2.81 U	9.13	5.8	5.8	3.2	0.0	44.6	44.5	125.8
* JMB REALTY		OC-JMBRS	L	1423	18.26	2.75	NOV	2.96	12.00X	47.5	5.3	4.1	22.9	-34.3	16.2	17.1
B K&B HOME CORP	(06/10/89)															



RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE MAR 21	FROM JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKZ	MKT VAL MIL \$
A	LENNAR CORP (06/10/88)	NY-LEN	6	6608	23.32	0.24	S FEB 2.74 D	21.75	7.4	23.4	7.9	1.1	-6.7	11.7	143.7
*	LOAN AMER FNCL-B	OC-LAFEB	9	1987	7.63	0.00	MAR 0.76 U	5.25	2.4	10.5	6.9	0.0	-31.2	10.0	10.4
B	LOMAS FINANCIAL (02/10/89)	NY-LFC	9	29970	8.35	1.40	DEC 0.83	10.63	0.0	-15.8	12.8	13.2	27.2	9.9	318.4
C	M/I SCHOTNSTN HNS	OC-MIHO	7	5978	3.03	0.00	MAR 0.75 D	5.13	-2.4	-2.4	6.8	0.0	69.1	24.8	30.6
C	MAJOR REALTY (11/18/88)	OC-MAJR	7	7320	3.30\$	0.00	DEC -0.80 D	12.75	4.1	24.4	0.0	0.0	286.4	-24.2	93.3
*	MAY DEPT STORES (02/26/88)	NY-HA	10	149210	18.96	1.42	JAN 3.63	39.00	3.7	7.6	10.7	3.6	105.7	19.1	5819.2
*	MCA INC (02/26/88)	NY-MCA	10	73029	23.17	0.3	MAR 2.26 S	56.00X	10.1	23.4	24.8	1.2	141.7	9.8	4089.6
C	MDC HOLDINGS (11/18/88)	NY-MDC	6	16501	12.03	0.00	SEP -0.55	1.88	-16.7	-31.8	0.0	0.0	-84.4	-4.6	30.9
*	MISSION WEST PR	AS-MSW	7	1499	12.62	0.36	FEB 1.12 U	9.25	1.4	-3.9	8.3	3.9	-26.7	8.9	13.9
*	MONT RL EST INV (05/13/88)	NY-MYM	L	10639	9.13\$	0.72	FEB 0.49	8.25X	2.2	0.0	16.8	8.7	-9.6	5.4	87.8
*	NATIONAL ENTERPRS	NY-NEI	12	7138	1.73	0.00	DEC -0.33	0.88	-12.5	-22.2	0.0	0.0	-49.4	-19.1	6.2
C	LP-NATIONAL REALTY (01/13/89)	AS-NLP	8	8923	1.25	0.80	D DEC -2.55 D	8.50X	-21.8	-20.0	0.0	9.4	580.0	-204.0	75.8
A	LP-NEWMALL LAND (01/13/89)	NY-NHL	10	18732	8.10\$	1.20	S MAR 2.47 D	58.25	6.6	2.9	23.6	2.1	619.1	30.5	1091.1
B	LP-NVR L.P. (11/18/88)	AS-NVR	6	25005	4.03	0.48	D DEC 1.25	6.63X	-3.6	12.8	5.3	7.2	64.4	31.0	165.7
A	OAKWOOD HOMES	NY-OH	12	5202	9.55	0.08	DEC -0.06	8.38	9.8	21.8	0.0	1.0	-12.3	-0.6	43.6
C	ORICLE HOMES-A (04/10/87)	AS-OHC.A	7	1918	13.57	0.55	MAR 2.61 S	11.13	4.7	9.9	4.3	4.9	-18.0	19.2	21.3
C	ORICLE HOMES-B (04/10/87)	AS-OHC.B	7	1909	13.57	0.60	MAR 2.61 S	11.00	0.0	11.4	4.2	5.5	-18.9	19.2	21.0
*	PACESETTER HOMES	OC-PACE	7	1465	8.84	0.00	DEC -0.50 D	4.50	9.1	0.0	0.0	0.0	-49.1	-5.7	6.6
*	PARKWAY COMPANY	OC-PKAY	10	1511	25.99	0.80	DEC 0.11	16.00	0.0	0.0	145.5	5.0	-38.4	0.4	24.2
*	PATTEN CORP (01/09/87)	NY-PAT	7	16980	5.11	0.12	DEC 0.71	3.13	0.0	-16.7	4.4	3.8	-38.8	13.9	53.1
B	PERINI INV PR# (03/24/89)	AS-PNV	8	3898	0.34\$	0.60	DEC 1.24	16.25	1.6	-0.8	13.1	3.7	4679.4	364.7	63.3
C	PHM CORP (11/18/88)	NY-PHM	6	24768	10.28	0.12	DEC 1.21	13.88	27.6	24.7	11.5	0.9	35.0	11.8	343.7
*	LP-PRIME MTR INN LP# (02/27/87)	NY-PMP	8	4000	19.08	2.04	DEC 2.35 U	14.88X	-2.3	-7.0	6.3	13.7	-22.0	12.3	59.5
*	PROPERTY CAPITAL (08/26/88)	AS-PCT	L	10565	14.27	0.36	JAN 1.97	19.75	3.3	-4.8	10.0	1.8	38.4	13.8	208.7
D	PUNTA GORDA	AS-PGA	7	2905	-1.67	0.00	SEP -0.63	1.63	0.0	-38.1	0.0	0.0	0.0	0.0	4.7
E	VJ-RADICE CORP (07/24/87)	NY-RT	7	5811	1.63	0.00	9/7 -3.87	0.75	100.0	71.2	0.0	0.0	-54.0	-237.4	4.4
C	READING CO (11/25/88)	OC-RDGC	8	4957	5.89	0.00	DEC 1.81 U	14.00	3.7	19.1	7.7	0.0	137.7	30.7	69.4
*	LP-RED LIONS INNS # (01/13/89)	AS-RED	8	4546	17.49	2.05	S DEC 1.63	15.63	2.5	5.9	9.6	13.1	-10.7	9.3	71.0
*	LP-RETIREMT LIV MTG	OC-RLIVZ	9	1264	22.74	2.16	SEP 2.02	15.50	0.0	-6.1	7.7	13.9	-31.8	8.9	19.6
*	RIDGEWOOD PROPS	OC-RWPI	8	740	49.14	0.00	NOV 3.22	33.50	0.0	-5.6	10.4	0.0	-31.8	6.6	24.8
C	ROCKWOOD NATL	PS-RNC	7	9812	2.58	0.00	DEC -0.26	1.38	-15.4	-15.4	0.0	0.0	-46.7	-10.1	13.5
A	ROUSE CO# (03/10/89)	OC-ROUS	8	47840	5.50\$	0.56	DEC 0.86 U	27.13	1.9	10.7	31.5	2.1	375.9	15.1	1297.7
A	RYLAND GROUP (11/18/88)	NY-RYL	6	12850	13.16	0.60	MAR 3.02 D	18.75X	-14.6	-9.1	6.2	3.2	42.5	22.9	240.9
*	SANTA FE PACIFIC (07/10/87)	NY-SFX	10	157416	3.07	0.00	MAR -1.30 D	22.75	4.0	31.9	0.0	0.0	641.0	-42.3	3581.2
*	LP-SHOPCO LAURL CTR# (01/13/89)	AS-LSC	8	4660	8.57	1.08	SEP 0.77	9.63X	2.8	0.0	12.5	11.2	12.3	9.0	44.9
B	SKYLINE CORP	NY-SKY	12	11217	13.24	0.48	FEB 1.46	18.38	1.4	18.5	12.6	2.6	38.8	11.0	206.1
D	SOUTHLAND FINCL (05/27/88)	OC-SFIN	8	16773	3.40	0.00	SEP -2.36	1.19	5.8	58.7	0.0	0.0	-65.0	-69.4	20.0
D	SOUTHWEST CORP (03/24/89)	NY-SM	10	45278	3.99	0.00	DEC -6.18	0.88	-46.2	-46.2	0.0	0.0	-78.1	-154.9	39.6
D	LP-SOUTHWEST RLTY# (12/09/88)	AS-SWL	8	3442	5.66\$	0.00	DEC 0.15	0.81	30.1	0.0	5.4	0.0	-85.6	2.7	2.8
*	STARRETT HOUSING	AS-SHO	7	6428	4.53	0.00	DEC 0.64 U	7.50	-6.3	25.0	11.7	0.0	65.6	14.1	48.2
A	LP-STD PACIFIC L.P. (11/18/88)	NY-SPF	6	27049	7.67	1.80	U MAR 3.27 U	15.13	22.2	26.0	4.6	11.9	97.2	42.6	409.1
*	TIERCO GP INC	OC-TIER	8	2126	6.38	0.00	DEC -10.18 D	1.00	-75.0	-78.9	0.0	0.0	-84.3	-159.6	2.1
C	TOLL BROS	NY-TOL	6	29961	2.42	0.00	JAN 0.73	4.13	3.1	-13.2	5.7	0.0	70.5	30.2	123.6
B	LP-UDC-UNIVRSL DEV (11/18/88)	NY-UDC	7	9360	8.67	2.60	DEC 3.80	20.00	2.6	6.7	5.3	13.0	130.7	43.8	187.2
B	UNICORP AMER (07/10/87)	AS-UAC	10	17300	8.27	0.30	DEC -0.57	6.00	-9.4	4.3	0.0	5.0	-27.4	-6.9	103.8
C	UNION VALLEY CORP	AS-UV	7	4759	5.06	0.00	DEC 0.08	7.63	0.0	0.0	95.3	0.0	50.7	1.6	36.3
C	US HOME CORP (04/10/87)	NY-UH	6	39901	4.43	0.00	MAR 0.12 D	1.88	0.0	-11.8	15.6	0.0	-57.7	2.7	74.8
*	LP-US REALTY PTNRS#	OC-USRLZ	8	1222	15.22	2.04	DEC 2.11	7.75	0.0	3.3	3.7	26.3	-49.1	13.9	9.5
*	LP-VMS MORTGAGE INV	OC-VMLPZ	9	7629	9.10	1.08	DEC 1.30 U	7.63	5.2	3.4	5.9	14.2	-16.2	14.3	58.2
C	WASHINGTON CORP	PH-TWC.X	7	1869	4.72	0.25	DEC 2.52	7.00	-5.1	5.7	2.8	3.6	48.3	53.4	13.1
C	WEBB (DEL) CORP (03/10/89)	NY-WBB	10	9343	6.93	0.00	DEC -1.73	14.00	-9.7	-8.9	0.0	0.0	102.0	-25.0	130.8
*	LP-WINTHROP INS-MTG	AS-WMI	9	3868	12.54	1.32	DEC 1.67	12.50X	2.6	4.2	7.5	10.6	-0.3	13.3	48.4
D	WRITER CORP (04/10/87)	OC-WRTC	7	4118	2.55	0.00	SEP -5.16	0.50	0.0	-20.0	0.0	0.0	-80.4	-202.4	2.1

## COMPARATIVE REALTY STOCK GROUP AVERAGE 04/26/89

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE MAR 21	FROM JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BKZ	MARKET VAL (000)
1 PROPERTY REITS	41	4	45	7989	11.48	1.00	1.18	14.11	2.0	1.0	12.0	7.1	22.9	10.2	5600.4
2 LEASEBACK REITS	13	0	13	6610	14.27	1.62	1.71	13.16	2.1	1.8	7.7	12.3	-7.7	12.0	1288.3
3 PROP & MTG COMB REITS	15	0	15	5681	11.46	1.27	1.09	10.85	-1.0	-4.4	10.0	11.7	-5.3	9.5	896.1
4 MORTGAGE REITS	19	4	23	7884	12.16	1.20	1.08	8.81	-1.9	-11.2	8.2	13.6	-27.5	8.9	1405.3
5 PARTICIPATING MTG REITS	9	0	9	11949	11.21	1.11	0.59	9.24	-2.5	-8.8	15.6	12.0	-17.6	5.3	1198.0
REIT AVERAGE			105	7805	11.95	1.17	1.16	11.95	0.7	-1.4	10.3	9.8	0.0	9.8	10388.0
6 MAJOR HOMEBUILDERS	7	5	12	20673	10.78	0.33	0.73	12.05	8.0	13.2	16.4	2.7	11.8	6.8	2481.3
7 OTHER BLDRS/DEVELOPERS	7	22	29	7338	5.95	0.18	0.35	6.35	2.2	7.8	18.0	2.9	6.7	5.9	1285.1
8 INCOME PROP BLDR/OWNR	18	8	26	8285	12.84	0.92	0.43	16.14	-0.1	3.3	37.5	5.7	25.7	3.4	3598.0
9 MORTGAGE BANKER/FINANCE	9	4	13	15941	10.25	0.79	1.45	12.66	1.9	11.9	8.7	6.2	23.5	14.2	6234.5
10 DIVERSEIED RLTY&HOLDING	8	5	13	39235	12.34	0.43	0.22	21.32	3.5	6.9	95.6	2.0	72.8	1.8	15147.3
11 RLTY SVCS/SYNDICATORS	1	4	5	7920	7.74	0.45	-0.21	8.13	-1.9	0.0	0.0	5.5	5.0	-2.7	310.4
12 MANUFACTURED HOUSING	3	3	6	11639	8.75	0.20	0.98	10.98	-2.5	8.2	11.2	1.8	25.4	11.2	1015.0
OTHER REALTY STOCKS AVERAGE			104	14452	9.81	0.25	0.55	12.47	1.9	7.4	22.8	4.0	27.1	5.1	30071.7
L LIQUIDATING COMPANIES	3	5	8	7994	12.11	0.48	0.70	9.45	3.9	2.0	NC	NC	-21.9	NC	576.0
OVERALL AVERAGE			217	11113	10.89	0.84	0.85	12.21	1.3	2.9	14.3	6.9	12.1	7.7	41035.7
DOW JONES INDUSTRIALS							215.46	2389.11	5.4	10.2	11.1	3.5			
STANDARD & POOR'S 500							23.75	306.93	5.4	10.5	12.9	3.5			
DOW JONES UTILITIES							12.17	190.61	4.6	2.3	15.7	7.8			

## SYMBOLS &amp; ABBREVIATIONS

RANKINGS: "A" (highest) to "E" (lowest). \* = Not Ranked. Z = Audit or affiliates involved in pending transaction. New EPS or Dividend: U=Up, D=Down, S=Unchanged, I=Initial, # = Net Cash Flow (EPS plus noncash charges less mortgage payments). @ = Gross Cash Flow. Book value for cash flow entities includes accum. depreciation. Last bid prices used for OTC. P=Paired stock. \$=Current appraised value reported see p. 3. F=Finite life REIT. LP=Limited partnership. L=Liquidating. VJ=In bankruptcy reorganization.

NAME CHANGE: Santa Fe Southern Pacific to Santa Fe Pacific Corp. DELETED: Residential Resources Mortgage Investments Corp.